

Conference Engrossed

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

CHAPTER 316

HOUSE BILL 2206

AN ACT

AMENDING SECTIONS 15-719, 28-2351, 28-2403, 28-2405, 28-6501, 28-6991 AND 28-6993, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2420; RELATING TO SPECIAL PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-719, Arizona Revised Statutes, is amended to
3 read:

4 15-719. Character education program instruction; fund

5 A. Each common, high and unified school district and charter school
6 may provide instruction to kindergarten programs through the twelfth grade
7 on character development.

8 B. Each district ~~is free to~~ MAY develop its own course of study for
9 each grade. At a minimum, the character education program must include:

10 1. Instruction in the definition and application of at least six of
11 the following character traits: truthfulness, responsibility, compassion,
12 diligence, sincerity, trustworthiness, respect, attentiveness, obedience,
13 orderliness, forgiveness and, virtue, FAIRNESS, CARING, CITIZENSHIP AND
14 INTEGRITY.

15 2. The use of activities, discussions and visual media and literacy
16 presentations to illustrate and reinforce the application of the character
17 traits.

18 3. Presentations by teachers or mentors who demonstrate the character
19 traits.

20 C. At the request of the school district or charter school, the
21 department of education ~~can~~ MAY certify that the school district or charter
22 school has a character development instruction program that meets all of the
23 requirements in subsection B of this section.

24 D. ~~A parent~~ PARENTS may elect for their child not to participate in
25 the program.

26 E. The school district or charter school may accept donations or
27 charge fees for the program if the program is not offered during regular
28 school hours.

29 F. A CHARACTER EDUCATION SPECIAL PLATE FUND IS ESTABLISHED CONSISTING
30 OF MONIES RECEIVED PURSUANT TO SECTION 28-2420. THE DEPARTMENT OF EDUCATION
31 SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
32 APPROPRIATED. MONIES FROM THE FUND SHALL BE ANNUALLY DISTRIBUTED BY THE
33 DEPARTMENT BY JULY 1.

34 G. THE CHARACTER EDUCATION AND DEVELOPMENT DIVISION AT THE DEPARTMENT
35 OF EDUCATION SHALL ALLOCATE MONIES THROUGH AT LEAST TWO BUT NO MORE THAN FOUR
36 PRIVATE CHARACTER EDUCATION FOUNDATIONS THAT ARE INCORPORATED NONPROFIT
37 CORPORATIONS IN THIS STATE AND THAT ARE QUALIFIED UNDER SECTION 501(c)(3) OF
38 THE UNITED STATES INTERNAL REVENUE CODE FOR FEDERAL INCOME TAX PURPOSES. THE
39 DIRECTOR OF THE CHARACTER EDUCATION AND DEVELOPMENT DIVISION AT THE
40 DEPARTMENT OF EDUCATION SHALL SELECT PRIVATE CHARACTER EDUCATION FOUNDATIONS
41 THAT PROVIDE CHARACTER EDUCATION PROGRAMS THAT DEMONSTRATE PROVEN AND
42 EFFECTIVE RESEARCH BASED CURRICULUM AND TRAINING TO RECEIVE MONIES FROM THE
43 CHARACTER EDUCATION SPECIAL PLATE FUND.

1 H. ON NOTICE FROM THE DEPARTMENT OF EDUCATION, THE STATE TREASURER
2 SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND
3 MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

4 I. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190
5 RELATING TO LAPSING OF APPROPRIATIONS.

6 Sec. 2. Section 28-2351, Arizona Revised Statutes, is amended to read:
7 28-2351. License plate provided; design

8 A. The department shall provide to every owner one license plate for
9 each vehicle registered. At the request of the owner and on payment of any
10 required fee, the department shall provide either one or two license plates
11 for a vehicle for which a special plate is requested pursuant to this
12 chapter, except that the department shall provide one license plate if the
13 special plate is issued pursuant to section 28-2404, 28-2409 or 28-2416.

14 B. The license plate shall display the number assigned to the vehicle
15 and to the owner of the vehicle and the name of this state, which may be
16 abbreviated. The director shall coat the license plate with a reflective
17 material that is consistent with the determination of the license plate
18 commission established by section 28-2405 regarding the color and design of
19 license plates and special plates as prescribed by section 28-2405. The
20 director shall design the license plate and the letters and numerals on the
21 license plate to be of sufficient size to be plainly readable during daylight
22 from a distance of one hundred feet.

23 C. Notwithstanding any other law, the department shall not contract
24 with a nongovernmental entity to purchase or secure reflective material for
25 the plates issued by the department unless the department has made a
26 reasonable effort to secure qualified bids or proposals from as many
27 individual responsible respondents as possible.

28 D. The license plate commission established by section 28-2405 shall
29 determine the color and design of the license plate. All other plates issued
30 by the department, except the plates issued pursuant to sections 28-2412,
31 28-2413, 28-2414, 28-2416 through ~~28-2419~~ 28-2420, 28-2452, 28-2453, 28-2454
32 and 28-2455 and article 14 of this chapter, shall be the same color as and
33 similar in design to the license plate as determined by the commission.

34 E. A passenger motor vehicle rented without a driver shall receive the
35 same type of license plate as issued for a private passenger motor vehicle.

36 Sec. 3. Section 28-2403, Arizona Revised Statutes, is amended to read:
37 28-2403. Special plates; transfers; violation; classification

38 A. Except as otherwise provided in this article, the department shall
39 issue or renew special plates in lieu of the regular license plates pursuant
40 to the following conditions and procedures and only if the requirements
41 prescribed by this article for the requested special plates are met:

42 1. Except as provided in section 28-2416, a person who is the
43 registered owner of a vehicle registered with the department or who applies
44 for an original or renewal registration of a vehicle may submit to the
45 department a completed application form as prescribed by the department with

1 the fee prescribed by section 28-2402 for special plates in addition to the
2 registration fee prescribed by section 28-2003.

3 2. Except for plates issued pursuant to sections 28-2412, 28-2413,
4 28-2414, 28-2416 through ~~28-2419~~ 28-2420, 28-2452, 28-2453, 28-2454 and
5 28-2455 and article 14 of this chapter, the special plates shall be the same
6 color as and similar to the design of the regular license plates that is
7 determined by the license plate commission pursuant to section 28-2351.

8 3. Except as provided in section 28-2416, the department shall issue
9 special plates only to the owner or lessee of a vehicle that is currently
10 registered, including any vehicle that has a declared gross weight, as
11 defined in section 28-5431, of twenty-six thousand pounds or less.

12 4. Except as provided in section 28-2416, the department shall charge
13 the fee prescribed by section 28-2402 for each annual renewal of special
14 plates in addition to the registration fee prescribed by section 28-2003.

15 B. Except as provided in section 28-2416, on notification to the
16 department and on payment of the transfer fee prescribed by section 28-2402,
17 a person who is issued special plates may transfer the special plates to
18 another vehicle the person owns or leases. Persons who are issued special
19 plates for hearing impaired persons pursuant to section 28-2408 and
20 international symbol of access special plates pursuant to section 28-2409 are
21 exempt from the transfer fee. If a person who is issued special plates
22 sells, trades or otherwise releases ownership of the vehicle on which the
23 plates have been displayed, the person shall immediately report the transfer
24 of the plates to the department or the person shall surrender the plates to
25 the department as prescribed by the director. It is unlawful for a person
26 to whom the plates have been issued to knowingly permit them to be displayed
27 on a vehicle except the vehicle authorized by the department.

28 C. The special plates shall be affixed to the vehicle for which
29 registration is sought in lieu of the regular license plates.

30 D. A person is guilty of a class 3 misdemeanor who:

31 1. Violates subsection B of this section.

32 2. Fraudulently gives false or fictitious information in the
33 application for or renewal of special plates or placards issued pursuant to
34 this article.

35 3. Conceals a material fact or otherwise commits fraud in the
36 application for or renewal of special plates or placards issued pursuant to
37 this article.

38 Sec. 4. Section 28-2405, Arizona Revised Statutes, is amended to read:
39 28-2405. License plate commission

40 A. A license plate commission is established. The commission is
41 composed of the following members:

42 1. Two public members who are appointed by the director of the
43 department of transportation.

44 2. A person who is appointed by the governor from the governor's
45 office of highway safety and who serves at the pleasure of the governor.

1 3. The director of the department of public safety or the director's
2 designee.

3 4. The director of the department of transportation or the director's
4 designee.

5 5. The director of the office of tourism or the director's designee.

6 6. The director of the state department of corrections or the
7 director's designee.

8 B. The director of the department of transportation or the director's
9 designee shall serve as chairman of the commission. The chairman shall
10 preside at commission meetings and coordinate the activities of the
11 commission and staff implementation of commission actions.

12 C. All official actions of the commission shall be decided by a
13 majority vote of commission members.

14 D. The commission shall determine the following:

15 1. The color and design of license plates.

16 2. The color of special plates to be the same as and the design of
17 special plates to be similar to the license plates, except for special plates
18 issued pursuant to sections 28-2412, 28-2413, 28-2414, 28-2416 through
19 ~~28-2419~~ 28-2420, 28-2452, 28-2453, 28-2454 and 28-2455 and article 14 of this
20 chapter.

21 3. Whether to authorize special organization plates pursuant to
22 section 28-2404.

23 4. The indicia for special organization plates issued pursuant to
24 section 28-2404.

25 E. The department shall provide the commission with staff and
26 technical assistance as necessary to perform its functions.

27 F. Commission members are not eligible to receive compensation, but
28 the members who are appointed pursuant to subsection A, paragraphs 1 and 2
29 of this section are eligible for reimbursement of expenses pursuant to title
30 38, chapter 4, article 2.

31 Sec. 5. Title 28, chapter 7, article 12, Arizona Revised Statutes, is
32 amended by adding section 28-2420, to read:

33 28-2420. Character education special plates

34 A. IF BY JANUARY 1, 2005, THE DEPARTMENT OF EDUCATION PAYS THIRTY-TWO
35 THOUSAND DOLLARS TO THE DEPARTMENT OF TRANSPORTATION FOR THE IMPLEMENTATION
36 OF THIS SECTION, THE DEPARTMENT OF TRANSPORTATION SHALL ISSUE CHARACTER
37 EDUCATION SPECIAL PLATES. THE DEPARTMENT OF EDUCATION SHALL ACCEPT AND USE
38 MONIES DONATED BY SOURCES OUTSIDE THE DEPARTMENT OF EDUCATION FOR THE PAYMENT
39 TO THE DEPARTMENT OF TRANSPORTATION. THE SUPERINTENDENT OF PUBLIC
40 INSTRUCTION OR THE SUPERINTENDENT'S DESIGNEE SHALL DESIGN THE CHARACTER
41 EDUCATION SPECIAL PLATES. THE DESIGN AND COLOR OF THE CHARACTER EDUCATION
42 SPECIAL PLATES ARE SUBJECT TO THE APPROVAL OF THE DEPARTMENT OF
43 TRANSPORTATION.

1 B. OF THE TWENTY-FIVE DOLLAR FEE REQUIRED BY SECTION 28-2402 FOR
2 ORIGINAL SPECIAL PLATES AND FOR RENEWAL OF SPECIAL PLATES, EIGHT DOLLARS IS
3 A SPECIAL PLATE ADMINISTRATION FEE AND SEVENTEEN DOLLARS IS AN ANNUAL
4 DONATION.

5 C. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND
6 35-147, ALL SPECIAL PLATE ADMINISTRATION FEES IN THE STATE HIGHWAY FUND
7 ESTABLISHED BY SECTION 28-6991 AND ALL DONATIONS COLLECTED PURSUANT TO THIS
8 SECTION IN THE CHARACTER EDUCATION SPECIAL PLATE FUND ESTABLISHED BY SECTION
9 15-719 FOR DISBURSEMENT BY THE DEPARTMENT OF EDUCATION PURSUANT TO SECTION
10 15-719.

11 Sec. 6. Section 28-6501, Arizona Revised Statutes, is amended to read:
12 28-6501. Definition of highway user revenues

13 In this article, unless the context otherwise requires or except as
14 otherwise provided by statute, "highway user revenues" means all monies
15 received in this state from licenses, taxes, penalties, interest and fees
16 authorized by the following:

17 1. Chapters 2, 7, 8 and 15 of this title, except for:

18 (a) The special plate administration fees prescribed in sections
19 28-2404, 28-2412 through ~~28-2419~~ 28-2420 and 28-2514.

20 (b) The donations prescribed in sections 28-2404, 28-2412 through
21 28-2415, 28-2417, ~~28-2418~~, THROUGH 28-2420, 28-2453, 28-2454 and 28-2455.

22 2. Chapters 10 and 11 of this title.

23 3. Chapter 16, articles 1, 2 and 4 of this title, except as provided
24 in sections 28-5926 and 28-5927.

25 Sec. 7. Section 28-6991, Arizona Revised Statutes, is amended to read:
26 28-6991. State highway fund; sources

27 A state highway fund is established that consists of:

28 1. Monies distributed from the Arizona highway user revenue fund
29 pursuant to chapter 18 of this title.

30 2. Monies appropriated by the legislature.

31 3. Monies received from donations for the construction, improvement
32 or maintenance of state highways or bridges. These monies shall be credited
33 to a special account and shall be spent only for the purpose indicated by the
34 donor.

35 4. Monies received from counties under cooperative agreements,
36 including proceeds from bond issues. The state treasurer shall deposit these
37 monies to the credit of the fund in a special account on delivery to the
38 treasurer of a concise written agreement between the department and the
39 county stating the purposes for which the monies are surrendered by the
40 county, and these monies shall be spent only as stated in the agreement.

41 5. Monies received from the United States under an act of Congress to
42 provide aid for the construction of rural post roads, but monies received on
43 projects for which the monies necessary to be provided by this state are
44 wholly derived from sources mentioned in paragraphs 2 and 3 of this section
45 shall be allotted by the department and deposited by the state treasurer in

1 the special account within the fund established for each project. On
2 completion of the project, on the satisfaction and discharge in full of all
3 obligations of any kind created and on request of the department, the
4 treasurer shall transfer the unexpended balance in the special account for
5 the project into the state highway fund, and the unexpended balance and any
6 further federal aid thereafter received on account of the project may be
7 spent under the general provisions of this title.

8 6. Monies in the custody of an officer or agent of this state from any
9 source that is to be used for the construction, improvement or maintenance
10 of state highways or bridges.

11 7. Monies deposited in the state general fund and arising from the
12 disposal of state personal property belonging to the department.

13 8. Receipts from the sale or disposal of any or all other property
14 held by the department and purchased with state highway monies.

15 9. Monies generated pursuant to section 28-410.

16 10. Monies distributed pursuant to section 28-5808, subsection B,
17 paragraph 2, subdivision (d).

18 11. Monies deposited pursuant to sections 28-1143, 28-2353 and 28-3003.

19 12. Except as provided in section 28-5101, the following monies:

20 (a) Monies deposited pursuant to section 28-2206 and section 28-5808,
21 subsection B, paragraph 2, subdivision (e).

22 (b) One dollar of each registration fee and one dollar of each title
23 fee collected pursuant to section 28-2003.

24 (c) Two dollars of each late registration penalty collected by the
25 director pursuant to section 28-2162.

26 (d) The air quality compliance fee collected pursuant to section
27 49-542.

28 (e) The special plate administration fees collected pursuant to
29 sections 28-2404, 28-2412 through ~~28-2419~~ 28-2420 and 28-2514.

30 (f) Monies collected pursuant to sections 28-372, 28-2155 and 28-2156
31 if the director is the registering officer.

32 13. Monies deposited pursuant to chapter 5, article 5 of this title.

33 14. Donations received pursuant to section 28-2269.

34 15. Dealer and registration monies collected pursuant to section
35 28-4304.

36 16. Abandoned vehicle administration monies deposited pursuant to
37 section 28-4804.

38 17. Monies deposited pursuant to section 28-710, subsection D,
39 paragraph 2.

40 Sec. 8. Section 28-6993, Arizona Revised Statutes, is amended to read:
41 28-6993. State highway fund; authorized uses

42 A. Except as provided in subsection B of this section and section
43 28-6538, the state highway fund shall be used for any of the following
44 purposes in strict conformity with and subject to the budget as provided by
45 this section and by sections 28-6997 through 28-7003:

1 1. To pay salaries, wages, necessary travel expenses and other
2 expenses of officers and employees of the department and the incidental
3 office expenses, including telegraph, telephone, postal and express charges
4 and printing, stationery and advertising expenses.

5 2. To pay for both:

6 (a) Equipment, supplies, machines, tools, department offices and
7 laboratories established by the department.

8 (b) The construction and repair of buildings or yards of the
9 department.

10 3. To pay the cost of both:

11 (a) Engineering, construction, improvement and maintenance of state
12 highways and parts of highways forming state routes.

13 (b) Highways under cooperative agreements with the United States that
14 are entered into pursuant to this chapter and an act of Congress providing
15 for the construction of rural post roads.

16 4. To pay land damages incurred by reason of establishing, opening,
17 altering, relocating, widening or abandoning portions of a state route or
18 state highway.

19 5. To reimburse the department revolving account.

20 6. To pay premiums on authorized indemnity bonds and on compensation
21 insurance under the workers' compensation act.

22 7. To defray lawful expenses and costs required to administer and
23 carry out the intent, purposes and provisions of this title, including
24 repayment of obligations entered into pursuant to this title, payment of
25 interest on obligations entered into pursuant to this title, repayment of
26 loans and other financial assistance, including repayment of advances and
27 interest on advances made to the department pursuant to section 28-7677, and
28 payment of all other obligations and expenses of the board and department
29 pursuant to chapter 21 of this title.

30 8. To pay lawful bills and charges incurred by the state engineer.

31 9. To acquire, construct or improve entry roads to state parks or
32 roads within state parks.

33 10. To acquire, construct or improve entry roads to state prisons.

34 11. To pay the cost of relocating a utility facility pursuant to
35 section 28-7156.

36 12. For the purposes provided in subsections C, D and E of this section
37 and sections 28-1143, 28-2353 and 28-3003.

38 B. For each fiscal year, the department of transportation shall
39 allocate and transfer monies in the state highway fund to the department of
40 public safety for funding a portion of highway patrol costs in eight
41 installments in each of the first eight months of a fiscal year that do not
42 exceed ten million dollars.

43 C. Subject to legislative appropriation, the department may use the
44 monies in the state highway fund as prescribed in section 28-6991, paragraph
45 12 to carry out the duties imposed by this title for registration or titling

1 of vehicles, to operate joint title, registration and driver licensing
2 offices, to cover the administrative costs of issuing the air quality
3 compliance sticker, modifying the year validating tab and issuing the
4 windshield sticker and to cover expenses and costs in issuing special plates
5 pursuant to sections 28-2404, 28-2412 through ~~28-2419~~ 28-2420 and 28-2514.

6 D. The department shall use monies deposited in the state highway fund
7 pursuant to chapter 5, article 5 of this title only as prescribed by that
8 article.

9 E. Monies deposited in the state highway fund pursuant to section
10 28-2269 shall be used only as prescribed by that section.

11 F. Monies deposited in the state highway fund pursuant to section
12 28-710, subsection D, paragraph 2 shall only be used for state highway work
13 zone traffic control devices.

14 G. The department may exchange monies distributed to the state highway
15 fund pursuant to section 28-6538, subsection A, paragraph 1 for local
16 government surface transportation program federal monies suballocated to
17 councils of government and metropolitan planning organizations if the local
18 government scheduled to receive the federal monies concurs. An exchange of
19 state highway fund monies pursuant to this subsection shall be in an amount
20 that is at least equal to ninety per cent of the federal obligation authority
21 that exists in the project for which the exchange is proposed.

APPROVED BY THE GOVERNOR JUNE 3, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 3, 2004.

Passed the House March 2, 2004

by the following vote: 42 Ayes,
17 Nays, 1 Not Voting

Jake Flake
Speaker of the House

Spuman L. Moore
Chief Clerk of the House

Passed the Senate May 10, 2004

by the following vote: 26 Ayes,
1 Nays, 3 Not Voting

Klu Bennett
President of the Senate

Charmine D. Bunting
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

 day of , 20 ,

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

H.B. 2206

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House May 26, 2004,

by the following vote: 44 Ayes,

12 Nays, 4 Not Voting

Jake Flake
Speaker of the House

Norman L. Joyce
Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate May 26, 2004,

by the following vote: 23 Ayes,

5 Nays, 2 Not Voting

John Blumenthal
President of the Senate

Charmian Bellin
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor

this 27th day of May, 2004,

at 8:35 o'clock a. M.

Wendell Upshur
Secretary to the Governor

Approved this 3 day of

June, 2004,

at 3⁴⁵ o'clock P. M.

Jan N. N. N.
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 3 day of June, 2004,

at 4:22 o'clock P. M.

Janice L. Brewer
Secretary of State

H.B. 2206